

II. Genesis of the International Philanthropy Project

The launching of the International Philanthropy Project in 1974 was a natural outgrowth of the establishment of the Japan Center for International Exchange (JCIE) itself in 1970 in that a basic belief upon which JCIE was founded was that at that point of development Japan urgently needed truly nonprofit and non-governmental institutions in order to become a constructive member of the international community. In that rather heady spirit Tadashi Yamamoto wrote the following paragraph in 1975 in a memorandum entitled "Assessment of JCIE's Present Activities and Its Outlook for the Future."

For a private organization to be involved in the sphere of public interest and public policies, particularly in international affairs, is a considerable departure from the traditionally accepted pattern of bureaucrats' dominance in such matters. It is my belief that Japanese government bureaucrats have ceased to be the exclusive effective agents of change in the public interest areas that they were after the Meiji Restoration. Their preoccupations with the past simplistic national goals of "catching up with the West" or attaining further economic growth have lost much of their meaning. The pluralistic character, multiple values and complex problems inherent to the highly industrialized society that Japan has become have only accentuated bureaucratic rigidity and conservatism in this

rapidly changing world. If JCIE's activities have stood out to the eyes of some, it is probably at least partly because of its unique flexibility and activist-oriented dynamism which are not normally the main attributes of nonprofit organizations in Japan. Such attributes have enabled us to identify new opportunities and respond to rising needs quickly and, to some extent, effectively.

By the time JCIE was founded, the authors of this paper had been strongly convinced of the vital contribution third sector institutions could make in facilitating international dialogue, joint research, and other exchange and collaborative activities. In the late 1960s and early 1970s, it was becoming obvious that concerted efforts were needed for Japan to develop broader communication links with the outside world, particularly with the United States, as Japan was emerging as a major actor in international affairs. The Shimoda Conference, a forum for policy dialogue among leading opinion leaders of the United States and Japan, was initiated in 1967 by the American Assembly with strong support by The Ford Foundation, and has since become a symbol of private bilateral dialogue and exchange. In 1968 the U.S.-Japan Parliamentary Exchange Program was initiated, again with Ford Foundation support.

In these latter two cases and in other collaborative projects, Tadashi Yamamoto played a key role as organizer in the capacity of executive secretary of the Japan Council for International Understanding, a position he left when he founded JCIE in 1970. It should be pointed out that Yamamoto was strongly influenced by some of the individuals at The Ford Foundation, such as Shepard

Stone, then Director of the International Division, Joseph Slater, Deputy Director, and Herbert Passin, Professor of Columbia University then serving as consultant to The Ford Foundation on Japanese affairs. Their orientation to active efforts to respond to emerging needs to sustain and improve the U.S.-Japan relationship, or to bring Japan into the international community in an innovative and flexible manner seemed to be singularly lacking in Japan's official diplomatic efforts. Moreover, the activities of The Ford Foundation and a few other American foundations, such as the Rockefeller Foundation, were making a convincing case that Japan needed more non-governmental and nonprofit organizations in international affairs. The International House of Japan, founded by Shigeharu Matsumoto with the help of John D. Rockefeller 3rd in 1952, was about the only organization of this kind in Japan at that time and it was primarily devoted to international scholarly exchange activities. When JCIE was founded by Yamamoto in 1970, aided by Hiroshi Peter Kamura, Hideko Katsumata (co-authors of this paper) and a few other young men and women, initial program support, offered by McGeorge Bundy of The Ford Foundation, followed by a general support grant offered by Russell Phillips of the Rockefeller Brothers Fund, sustained the fledgling organization. It was not so much the size of these grants that mattered as the leverage provided by prestigious foundations, well-known even to Japanese leaders at that time, that was critical in keeping alive an organization which was not affiliated with any government agency or major corporation.

Given this organizational background, the notion of

initiating a project to systematically promote the development of private philanthropy in Japan came very naturally to JCIE. It should also be noted that such a project would not have started had it not been for the growing interest among corporate leaders in Japan in establishing private foundations in the early 1970s. As discussed in detail in *Japanese Private Philanthropy in an Interdependent World* by Tadashi Yamamoto and Takayoshi Amenomori (originally prepared for the International Symposium on Organized Private Philanthropy in East and Southeast Asia held in Bangkok, Thailand in August 7-9, 1989, and subsequently published as a JCIE Paper), a spate of new private foundations, established primarily by corporations or corporate groups in the early 1970s, reflected Japan's phenomenal economic growth (the gross national product [GNP] jumped from 44 billion yen in 1960 to 90 billion yen in 1965, and to 204 billion yen in 1970); growing public consciousness regarding the unfavorable aspects of economic growth, such as environmental destruction and trade conflicts; and the emerging diversification of social values, such as emphasis on the quality of life, protection of the aged and the disabled, and promotion of the arts and culture.

In an article written in late 1974 for *Foundation News*, Yamamoto reported as follows:

And so, it seems that Japanese philanthropy is on the threshold of major developments. In direct response to the mounting charges against corporations, and in the hope of fulfilling their "social responsibility," many large corporations have begun to allocate funds to establish "foundations." In the last several months we've seen press an-

nouncements concerning the establishment of new foundations with total assets of about \$67 million, no small sum and while, by American standards, this isn't a large amount, it's for a "pioneering effort" in philanthropy in a country where there are some effective constraints on private giving. (Vol. 16, No. 1, January/February 1975.)

In spite of the encouraging trend, more sophisticated and professional approaches seemed to be lacking in many of these newly created foundations. Indeed, the corporate leaders and officials in charge of them were very eager to learn from the experience of private foundations overseas.

Meanwhile, the relative absence of full-fledged organized private philanthropy in Japan was even more keenly felt as Japan began to emerge as a major economic power and to be expected to play a more active role in the international community. In late 1973, Yamamoto heard one of many stories of frustration with Japan's bureaucratic stonewalling. An American official of the U.S. Department of Health, Education, and Welfare and an officer of a private foundation in Philadelphia he happened to meet were part of a delegation to pursue U.S.-Japan cooperation in the field of medicine, but their efforts had proved abortive due to obstacles placed in their way by the Japanese Ministry of Health and Welfare. That encounter helped confirm in Yamamoto's mind that Japan needed private foundations to help it take more creative and flexible approaches and make positive contributions. It led him to write a proposal initiating the International Philanthropy Project. The proposal was shown to Carl Green of The Ford Foundation, who enthusiastically supported the idea and prom-

ised his full support. (Green later opened The Ford Foundation office in Tokyo and helped philanthropic development of Japan for some years.) The proposal was also taken to the Council on Foundations, then located in New York, and received the strong endorsement of David Freeman, President, and other officials of the Council, who requested that Datus Smith, Jr., former Vice President of JDR 3rd Fund, assist JCIE in the initial phase of the project. Similar endorsement was received from the Foundation Center headed by Thomas Buckman. With this, the International Philanthropy Project was officially launched.